

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re:	:
	:
LEHMAN BROTHERS SECURITIES AND	:
ERISA LITIGATION	:
	: Civil File No. 09 MD 2017
	: (LAK)
This Document Applies to:	:
	:
<i>In re Lehman Brothers Mortgage-Backed Securities</i>	:
<i>Litigation, No. 08-CV-6762 (LAK)</i>	:
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**DECLARATION OF MARY ELIZABETH McGARRY, ESQ.**

I, Mary Elizabeth McGarry, Esq., make this declaration pursuant to 28 U.S.C. §

1746. I hereby state as follows:

1. I am a member of the law firm of Simpson Thacher & Bartlett LLP ("Simpson Thacher"), attorneys for Defendants Lana Franks, Edward Grieb, Richard McKinney, Kristine Smith, James J. Sullivan, Samir Tabet and Mark L. Zusy (the "Individual Defendants") in this action. I respectfully submit this declaration in support of the Individual Defendants' Motion to Dismiss Consolidated Securities Class Action Complaint. I am familiar with the facts and circumstances stated herein, based on personal knowledge, the attached documents or review of the files maintained by my firm.

2. Attached hereto as Exhibit 1 is a true and correct copy of the Consolidated Securities Class Action Complaint, filed February 23, 2009.

3. Attached hereto as Exhibit 2 is a true and correct copy of Structured Asset Securities Corporation, Prospectus Supplement, Lehman XS Trust, Series 2005-7N (Form 424B5), filed with the U.S. Securities and Exchange Commission ("SEC") on December 1, 2005.

4. Attached hereto as Exhibit 3 is a true and correct copy of Structured Asset Securities Corporation, Prospectus Supplement, Lehman XS Trust Mortgage Pass-Through Certificates, Series 2006-2N (Form 424B5), filed with the SEC on February 1, 2006.

5. Attached hereto as Exhibit 4 are true and correct copies of screen captures from Bloomberg L.P. on April 22, 2009 showing principle and interest payments from April 2008 through April 2009 of the following nine Structured Asset Securities Corporation Mortgage Pass-Through Certificates purchased by Plaintiffs: GreenPoint Mortgage Funding Trust Series 2006-AR5 (Class A1A); Lehman XS Trust, Series 2005-6 (Class 1A1); Lehman XS Trust, Series 2005-7N (Class 1A1B); Lehman XS Trust, Series 2006-2N (Class 1A1); Lehman XS Trust, Series 2006-GP2 (Class 1A1A); Lehman XS Trust, Series 2006-14N (Class 1A1B); GreenPoint Mortgage Funding Trust, Series 2006 AR4 (Class A1A); Lehman XS Trust, Series 2005-5N (Class 1A1); Lehman XS Trust, Series 2006-1 (Class 1A1B).

6. Attached hereto as Exhibit 5 is a true and correct copy of Structured Asset Securities Corporation, Registration Statement (Form S-3/A) with Base Prospectuses, filed with the SEC on September 16, 2005. As filed with the SEC, the Registration Statement and Base Prospectuses did not contain page numbers. For the Court's convenience and for ease of reference, Simpson Thacher has inserted page numbers in the form "STB-\_\_" in the bottom right corner of each page.

7. Attached hereto as Exhibit 6 is a true and correct copy of Structured Asset Securities Corporation, Registration Statement (Form S-3/A) with Base Prospectuses, filed with the SEC on August 8, 2006, with page numbers added by Simpson Thacher. As filed with the SEC, the Registration Statement and Base Prospectuses did not contain page numbers. For the

Court's convenience and for ease of reference, Simpson Thacher has inserted page numbers in the form "STB-\_\_" in the bottom right corner of each page.

8. Attached hereto as Exhibit 7 is a true and correct copy of Structured Asset Securities Corporation, Prospectus Supplement, Structured Adjustable Rate Mortgage Loan Trust Mortgage Pass-Through Certificates, Series 2006-1(Form 424B5), filed with the SEC on February 1, 2006.

9. Attached hereto as Exhibit 8 is a true and correct copy of a transcript of oral argument on defendants' motion to dismiss in *Louisiana Municipal Police Employees Ret. System v. Merrill Lynch & Co.*, No. 08 Civ. 9063 (JSR) (S.D.N.Y.) on February 19, 2009.

10. Attached hereto as Exhibit 9 is a true and correct copy of Structured Asset Securities Corporation, Prospectus, Lehman XS Trust Mortgage Pass-Through Certificates, Series 2005-5N (Form 424B5), filed with the SEC on November 1, 2005.

11. Attached hereto as Exhibit 10 is a true and correct copy of Structured Asset Securities Corporation, Prospectus, Lehman XS Trust Mortgage Pass-Through Certificates, Series 2005-6 (Form 424B5), filed with the SEC November 1, 2005.

12. Attached hereto as Exhibit 11 is a true and correct copy of Structured Asset Securities Corporation, Prospectus, Lehman XS Trust Mortgage Pass-Through Certificates, Series 2006-GP2 (Form 424B5), filed with the SEC on June 1, 2006.

13. Attached hereto as Exhibit 12 is a true and correct copy of Structured Asset Securities Corporation, Prospectus, Lehman XS Trust Mortgage Pass-Through Certificates, Series 2006-14N (Form 424B5), filed with the SEC on August 31, 2006.

14. Attached hereto as Exhibit 13 is a true and correct copy of Structured Asset Securities Corporation, Prospectus, GreenPoint Mortgage Funding Trust, Mortgage Pass-Through Certificates, Series 2006 AR4 (Form 424B5), filed with the SEC on August 31, 2006.

15. Attached hereto as Exhibit 14 is a true and correct copy of Structured Asset Securities Corporation, Prospectus, GreenPoint Mortgage Funding Trust, Mortgage Pass-Through Certificates, Series 2006-AR5 (Form 424B5), filed with the SEC on September 29, 2006.

16. Attached hereto as Exhibit 15 is a true and correct copy of a transcript of proceedings in *In re Lehman Brothers Securities and ERISA Litigation*, No. 09-md-2017, dated January 8, 2009.

17. Attached hereto as Exhibit 16 is a true and correct copy of an article entitled *Failing Grades?*, in the FINANCIAL TIMES, by Richard Beales, Saskia Scholtes and Gillian Tett, dated May 16, 2007.

18. Attached hereto as Exhibit 17 is a true and correct copy of a report entitled *Report on the Role and Function of Credit Rating Agencies in the Operation of the Securities Markets*, by the SEC, dated January 2003.

19. Attached hereto as Exhibit 18 is a true and correct copy of the testimony of Annette L. Nazareth Director, Division of Market Regulation, SEC, before the House Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises, Committee on Financial Services, entitled *Testimony Concerning Rating the Rating Agencies: The State of Transparency and Competition*, dated April 2, 2003.

20. Attached hereto as Exhibit 19 is a true and correct copy of an article entitled *US Housing Market - IndyMac - We are Not a Subprime Lender!*, in MARKETORACLE, by Michael K. Dawson, dated March 21, 2007.

21. Attached hereto as Exhibit 20 is a true and correct copy of an article entitled *The Subprime Loan Machine; Automated Underwriting Software*, in THE NEW YORK TIMES, by Lynnley Browning, dated March 23, 2007.

22. Attached hereto as Exhibit 21 is a true and correct copy of an article entitled *'Liar Loans': Mortgage Woes Beyond Subprime*, from CNNMONEY.COM, by Chris Isidore, dated March 19, 2007.

23. Attached hereto as Exhibit 22 is a true and correct copy of a report entitled *A Review of Wells Fargo's Subprime Lending*, from the Center for Responsible Lending, dated April 2004.

24. Attached hereto as Exhibit 23 is a true and correct copy of the testimony before the House Subcommittee on Financial Institutions and Consumer Credit, entitled *Subprime and Predatory Mortgage Lending: New Regulatory Guidance, Current Market Conditions and Effects on Regulated Financial Institutions*, dated March 27, 2007.

25. Attached hereto as Exhibit 24 is a true and correct copy of the written statement of Mr. Michael Calhoun, President, Center for Responsible Lending, before the House Subcommittee on Financial Institutions and Consumer Credit, entitled *The Role of the Secondary Market in Subprime Mortgage Lending*, dated May 8, 2007.

26. Attached hereto as Exhibit 25 is a true and correct copy of a hearing before the House Subcommittee on Financial Institutions and Consumer Credit, entitled *The Role of the Secondary Market in Subprime Mortgage Lending*, dated May 8, 2007.

27. Attached hereto as Exhibit 26 is a true and correct copy of the written statement of Jean Constantine-Davis, Senior Attorney AARP Foundation, before the Senate Banking, Housing, and Urban Affairs Committee, entitled *Preserving the American Dream: Predatory Lending Practices and Home Foreclosures*, dated February 7, 2007.

28. Attached hereto as Exhibit 27 is a true and correct copy of a schedule of the hearing before the U.S. Senate Committee on Banking, Housing and Urban Affairs, entitled *Mortgage Market Turmoil: Causes and Consequences*, dated March 22, 2007.

29. Attached hereto as Exhibit 28 is a true and correct copy of a schedule of the hearing before the U.S. Senate Committee on Banking, Housing and Urban Affairs, entitled *Subprime Mortgage Market Turmoil: Examining the Role of Securitization*, dated April 17, 2007.

30. Attached hereto as Exhibit 29 is a true and correct copy of the written statement of Kurt Eggert, before the Senate Banking, Housing, and Urban Affairs Committee's Subcommittee on Securities, Insurance and Investments, entitled *Subprime Mortgage Market Turmoil: Examining the Role of Securitization*, dated April 17, 2007.

31. Attached hereto as Exhibit 30 is a true and correct copy of an article entitled *Pressure at Mortgage Firm Led to Mass Approval of Bad Loans*, in the WASHINGTON POST, by David Cho, dated May 7, 2007.

32. Attached hereto as Exhibit 31 is a true and correct copy of an article entitled *Measuring the Measurers*, in THE ECONOMIST, dated May 31, 2007.

33. Attached hereto as Exhibit 32 is a true and correct copy of an article entitled *CDO Boom Masks Subprime Losses, Abetted by S&P, Moody's, Fitch*, from BLOOMBERG, by Richard Tomlinson and David Evans, dated May 31, 2007.

34. Attached hereto as Exhibit 33 is a true and correct copy of an article entitled *I Knew it Was Bad, But...*, published on the website MINYANVILLE.COM, by John Succo, dated May 15, 2007.

35. Attached hereto as Exhibit 34 is a true and correct copy of the biography of John Succo, published on the website MINYANVILLE.COM.

36. Attached hereto as Exhibit 35 is a true and correct copy of the 2005 Annual Report (Form 10-K) of Lehman Brothers Holdings, Inc., dated February 14, 2005.

37. Attached hereto as Exhibit 36 is a true and correct copy of Lehman XS Trust, Series 2006-14N, Current Report (Form 8-K), dated September 15, 2006.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 27, 2009

  
Mary Elizabeth McGarry, Esq.